



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



Military Standard Requisitioning and Issue Procedures (MILSTRIP) Relationship between Requisition Status and Obligations

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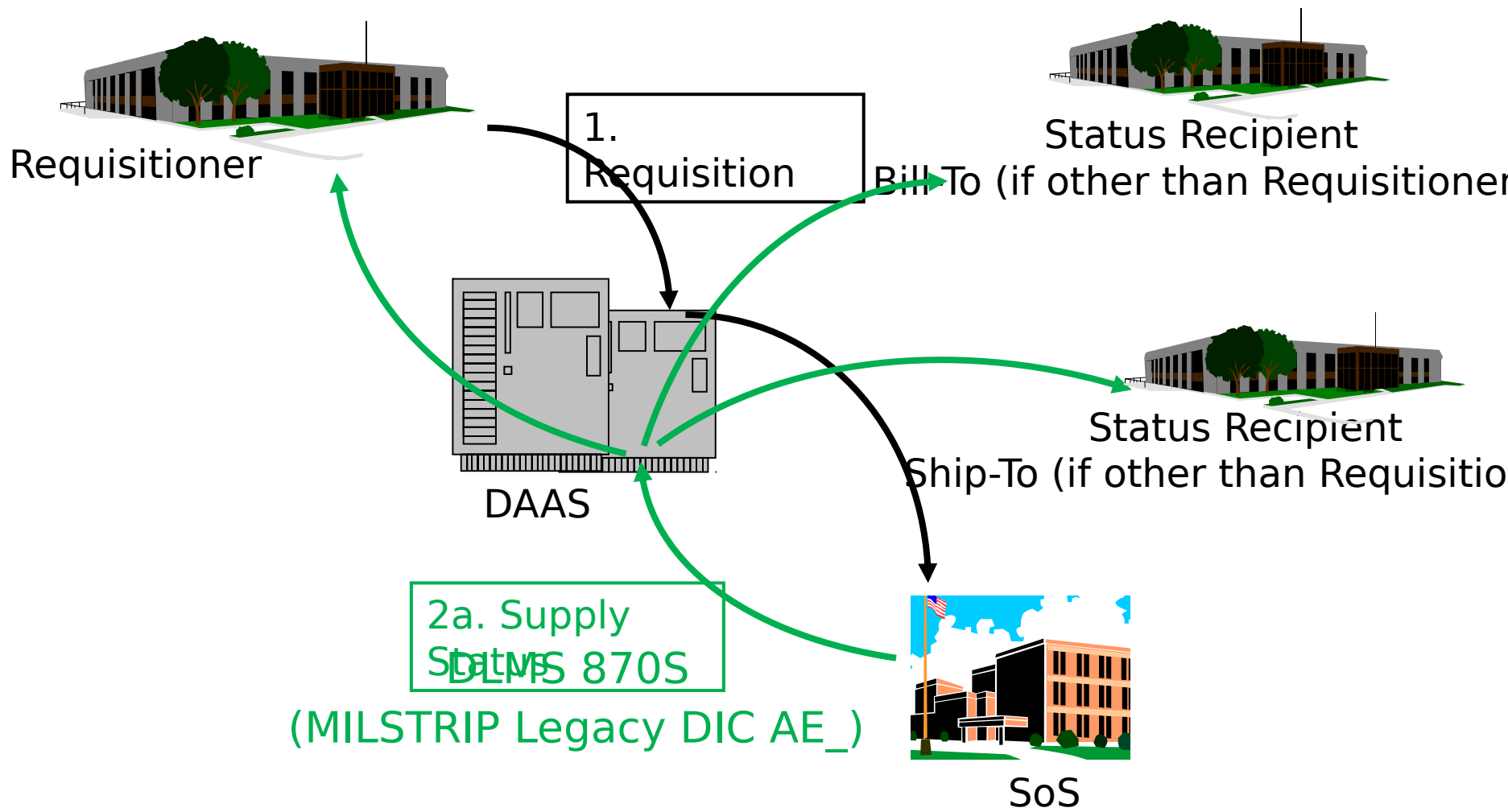
Discussion Agenda

- Review MILSTRIP requirements and opportunities for recording/updating obligations based upon Supply Status
- Review MILSTRIP guidance on requisitions submitted via Internet ordering applications
- Explore potential business process enhancements
- Confirm Component compliance

Appropriate interaction between supply and financial business processes/systems is a fundamental requirement under MILSTRIP



DLMS Requisition Cycle: Supply Status





MILSTRIP Supply Status

- MILSTRIP requires that sources of supply (SoS) furnish status data to designated activities as notice of action taken or being taken on MILSTRIP transactions
 - Eligible status recipients include the requisitioner, ship-to, bill-to, other organizations identified by the distribution code
 - Activities to receive status data and the type of data required are designated by entry of a media and status (M&S) code and distribution code
 - Transaction Services' Defense Automatic Addressing System (DAAS) transmits status based upon MILSTRIP distribution rules
 - Future DLMS enhancement will allow additional organizations to be identified
- Status data may be informational or require additional action by recipients based on the status code
 - Typically, supply status will indicate:
 - Item being processed for release and shipment (includes estimated shipping date)
 - Backorder
 - Procurement for direct vendor delivery
 - Partial issue or other partial action
 - Processing delay
 - Rejection
 - Passing or Referral to another SoS
 - Cancellation



MILSTRIP Supply Status

- Supply Status transactions are used to adjust obligations
 - Changes to price or quantity, as identified by supply status, will trigger appropriate updates to the financial records
 - Funds will not be deobligated until supply status has been received indicating that cancellation has been accomplished (rather than based upon the cancellation request)
- Some status code definitions specifically call out required financial actions

BN	Requisition being processed as free issue. Signal and fund code fields corrected as noted. Adjust local fund obligation records.
BQ	Requisition being processed as free issue. Signal and fund code fields corrected as noted. Adjust local fund obligation records.
B9	The activity identified by the code in rp 4-6 is in receipt of your cancellation request. Action to cancel the demand or to divert the applicable shipment is being attempted. Do not deobligate funds or delete due-in. Advice of final action will be furnished in subsequent status transactions.
DT	Free Issue denied; either the complete or partial quantity of a post-post requirement (includes DIC Code C0_, CQ_, D7_) is not authorized for free issue. Fund code and/or signal code corrected as noted. Adjust local fund obligation records.

- ~~Even where not specifically cited, appropriate financial actions must be taken~~
B7 Unit price change. The latest unit price for the item identified by the stock or part number in rp 8-22 is reflected in rp 74-80.



MILSTRIP Supply Status

- Receipt of Supply Status (by the bill-to activity) indicating materiel is being released for shipment must trigger interaction with financial processes/systems to confirm that the appropriate obligation is recorded

BA	Item being processed for release and shipment on a requisition or requisition alert. The estimated shipping date (ESD) is contained in record position (rp) 70-73 when provided in response to a follow-up.
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- Supply Status must include required information for successful posting of the obligation
 - Materiel identification: **problematic for nonstandard materiel**
 - Billed unit price: **DLMS enhancement for 9 digit dollars and 2 digit cents**
 - Fund Code: **DLMS enhancement for SLOA data**
 - Bill-to Party: **DLMS enhancement to populate discretely, even when using third party billing**



FEDMALL Requisitioning

- Supply Status for FEDMALL purchases using purchase card payment method will no longer be suppressed at DAAS
 - Bill-to party will be represented by DoDAAC SC4210
 - Transactions may be configured for third party billing (Signal Code L)
 - Bill-to discretely identified in DLMS-formatted transactions
 - Legacy systems must use Fund Code to Billed Party Conversion Table
 - Proper processing required to preclude over obligation



Preparation/Processing of Requisitions Submitted via Internet Ordering Applications

- MILSTRIP specifically requires!
 - Developers and users of internet ordering applications that permit MILSTRIP requisitions to be initiated outside the responsible DoD Component's supply system (e.g., direct customer input to DoD EMALL, GSA Global) will take precautions to ensure that only authorized personnel place orders and [all standard financial and logistics procedures](#) are followed
 - DoD Components authorizing the use of ordering processes external to the Component-sponsored supply system will:
 - Establish an interface between the external ordering application and the appropriate Component-sponsored application to [validate funds availability and establish the obligation](#)
 - [Notify users](#) that they are required to manually establish an obligation for requisitions dependent on Interfund payment procedures prior to/concurrent with placing orders via internet ordering applications, except where an interface is established with the requisitioner's Component application to validate funds availability and establish an obligation.



Potential Business Process Enhancements

- New requirement for DAAS to furnish supply status to the bill-to DoDAAC
 - Override requisition coding if necessary
- Use shipment status to ensure obligation is recorded
 - Feasible under DLMS because the bill-to DoDAAC is discretely identified (missing signal code in legacy shipment status made this action impossible)
 - Populate unit price (authorized DLMS enhancement)



Action Items

- Review internal procedures to ensure appropriate financial actions are taken based upon Supply Status
- Provide preliminary feedback on potential enhancements
- Components sponsoring Internet ordering systems:
 - Post notice to users pending development of appropriate system interfaces or other systemic alternatives
 - Ensure system provides supply and shipment status
- Confirm systems recognize bill-to party when identified via third party billing (Signal Code C or L)